

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

Date of Completion December 12, 2008

State: Tennessee

Fiscal Year to which credit applies: 2009

Overall Report ☒ (check one)
Two-parent Report ☐

Apply the overall credit to the two-parent participation rate? ☒ yes
☐ no

PART 1 –Eligibility Changes Made Since FY 2005

(Complete this section for EACH change)

1. Name of eligibility change: **Annual Increase of Consolidated Need Standard/Earned Income Disregard**
2. Implementation date of eligibility change: **July 1, 2007**
3. Description of policy, including the change from prior policy:

The Families First payment does not meet 100% of need as defined by the consolidated need standard. A standard payment amount is set for each family size based on available state and federal funds. Income available to the assistance group (after all appropriate disregards and deductions have been applied) is subtracted from consolidated Need Standard to determine the deficit. Payment is the deficit or the standard payment amount for the assistance group size, whichever is less. The Consolidated Need Standard for FY 05 was \$942 (based on the average family size of 3). Effective July 1, 2007, the CNS increased to \$1,006 (based on the average family size of 3).

4. Description of the methodology used to calculate the estimated impact of this eligibility change (attach supporting materials to this form):

Using a baseline of 2005, we looked at the number of families who became eligible for TANF after the CNS was updated in 2007. We then looked at the number of families with earnings who would stay on the program with the \$150 disregard. We added these two numbers together for each month October 2007 – June 2008. For the changes effective July 1, 2008, we also looked at the number of families, by family size, who were eligible for assistance due to the CNS increase for July, August, and September 2008 and the number who would continue to be eligible with earnings for the \$250 disregard and added those two numbers together. The average number of Families was 1,903.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 1,903

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1. Name of eligibility change: **State Only Alien Eligibility**
2. Implementation date of eligibility change: **July 1, 2006**
3. Description of policy, including the change from prior policy:

For aliens made ineligible by PRWORA, Tennessee continued to offer services with state only funds under old AFDC rules through June 30, 2006. Effective July 1, 2006 only aliens eligible under federal TANF regulations are eligible for Families First.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

A Special Desk Review was completed for all cases receiving benefits containing Aliens who remained eligible under old AFDC policy. We verified their current alien status with the Department of Homeland Security and checked for eligibility under PROWORA. We closed 108 cases to comply with our new policy. We will count this number July 2006 through October 2008 thereby incorporating the residual effect of this policy change. This 29 month period is based on the 2005 Families First Case Characteristics Study that states the average number of months an assistance group receives benefits is 28.5 months.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: **-108**

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1. Name of eligibility change: **Diversion**
2. Implementation date of eligibility change: **July 1, 2007**
3. Description of policy, including the change from prior policy:

Effective July 1, 2007, Tennessee began to offer lump-sum payments to qualifying families who would otherwise be eligible for full TANF program participation. Families receiving lump sum payments must have short-term needs that would be better addressed with a one-time payment than through full program participation. Prior to July 1, 2007, Diversion was not available in Tennessee

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

We used the number of individuals who received lump-sum payments in lieu of full TANF program participation and calculated the monthly average. We assumed diverted clients would have stayed on the program for six months had they began the program.

This time period was calculated by selecting clients from September 2007 who appeared eligible for diversion in having no TANF receipt in the prior 2 years and a minimum of a high school education. Over the following 15 months, these clients had an average program length of six months.

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: **-166**

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6.

1. Name of eligibility change: **Marriage During Receipt**
2. Implementation date of eligibility change: **July 1, 2007**
3. Description of policy, including the change from prior policy:

Effective July 1, 2007 TANF caretakers who marry during receipt of assistance have the option of excluding the new spouse from the assistance unit, regardless of income, for up to three months beginning on the first day of the month after the marriage occurs. If the caretaker waives the exclusion, the family must meet all TANF eligibility requirements immediately. Prior to July 1, 2007 if a caretaker married during receipt and opted to exclude the new spouse, the exclusion remained in effect until case closure.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

This was a rule implication that appears to have no impact on the caseload.

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5. Estimated average monthly impact of this eligibility change on caseload in comparison year: **0**

1. Name of eligibility change: **Elimination of 18 Month Time Limit**

2. Implementation date of eligibility change: **July 1, 2007**

3. Description of policy, including the change from prior policy:

Effective July 1, 2007, Tennessee eliminated the 18-month interim time limit. Prior to July 1, families receiving assistance could only do so in 18-month spells. When a family reached the end of an 18-month spell, their case was reviewed to see if they were eligible for a good cause extension. If they were not, the family was ineligible for assistance for a 3-month period of time, after which they could reapply for assistance. With elimination of the 18-month interim time limit families are able to receive assistance, uninterrupted, provided they are in compliance with program requirements, until they reach their 60-month lifetime limit.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

We took the number of clients who would have reached 19 months in July, August, and September 2007 who were also present in the caseload the month prior. We assumed that these clients had 3 months of benefit receipt they would not have had prior to July 1. To account for those who were not cut-off at 18 months due to a good cause extension, we looked at the average number of families who received good cause extensions after 18 months of benefit receipt during the six months leading up to the loss of the 1115 waiver. We then divided that number by 3, since clients remain on extension for 3 months. That number was 386. We then subtracted 386 from the number of clients in July, August, and September 2007 who had reached 19 months as described above. We then added those numbers into the excel worksheet provided and the monthly average was 420.

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5. Estimated average monthly impact of this eligibility change on caseload in comparison year: **885**

1. Name of eligibility change: **Sanctions**
2. Implementation date of eligibility change: **July 1, 2007**
3. Description of policy, including the change from prior policy:

Prior to July 1, 2007, when a family did not comply with work requirements, a worker would attempt phone contact with a family. If the worker reached the client and found that good cause did not exist and that the client did not wish to comply or if the client was not reachable, the case was closed. For the first sanction, the family was ineligible until compliance; for any subsequent sanctions, the family was ineligible for assistance for a 3-month period or until compliance, whichever was greater. Effective July 1, 2007 the 3-month period of ineligibility for subsequent sanctions was eliminated. As of July 1, when a family fails to comply, a worker closes the case and attempts to contact the family during a 10-day adverse action period. If the client is not contacted, the case remains closed. If the client is contacted and has good cause for noncompliance, the case is reopened. If there is no good cause, the client must comply for 5 days, at which point the case is reopened.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

We would expect that this policy change would make it easier for families to remain eligible for assistance, as the 3 month period of ineligibility was excluded and families are able to comply with requirements quickly. However, in the first months after this change went into effect we did not see an impact on the caseload that could be attributed to this change. This may be due to the fact that we had very few clients who were on a second or subsequent sanction prior to the July change. At this time, the Department opts to forgo a credit. However, we will reassess the impact of this policy in future years to see if there has been a measurable impact on the caseload after October 1, 2008

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5. Estimated average monthly impact of this eligibility change on caseload in comparison year: **0**

1. Name of eligibility change: **6 Month Extensions**

2. Implementation date of eligibility change: **July 1, 2007**

3. Description of policy, including the change from prior policy:

Effective July 1, 2007, Tennessee instituted a 6-month extension period for families reaching the 60-month lifetime limit. This policy change is only in effect until July 1, 2008 and will not be available to families who reach their lifetime limit after that date. The reason for this was to help families transition from our 1115 waiver program. Under that waiver program, which ended June 30, 2007, families did not reach time limits as quickly due to time clock interruptions. Families who are eligible for extensions within the first year of the post-waiver program will have the option of receiving a good cause extension once that 6-month period is exhausted. Families who reach their 60-month lifetime limit between July 1, 2007 and June 30, 2008 were eligible for good cause extensions for 6 months.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

The number of clients in any given month with a 6 month extension has been recorded for the appropriate month. As this figure reflects the total in any month of the 6 month extension there is no need to carry the total over to subsequent months.

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Fiscal Year to which credit applies: 2009

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: **7**

1. Name of eligibility change: **Early Re-entry for Voluntary Quit**

2. Implementation date of eligibility change: **October 5, 2005 and July 1, 2007**

3. Description of policy, including the change from prior policy:

Previously under Voluntary Quit policy, assistance groups were sanctioned for three months regardless of circumstances beyond good cause. Effective July 1, 2007, assistance groups can reestablish eligibility during the disqualification period if the individual who quit the job does one of the following:

Secures employment that is comparable in gross wages to the job which was quit,

becomes exempt from work requirements, or

leaves the assistance group

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

Cases closed for Voluntary Quit are tracked on a monthly basis. The policy effective October 5, 2005 would be expected to increase caseloads through a more rapid increase in recidivism among those sanctioned for voluntary quit. Individuals who returned in less than three months would clearly increase caseloads for one or two months. However, comparison of data from 2006 with 2007 revealed no significant increases in early return to TANF. The policy change may not be well understood among clients. A comparison of individuals sanctioned April through September of 2005 with those sanctioned for voluntary quit for the same months of 2006 shows no substantive difference on their return to the program within three months. For the policy effective July 1, 2007, because this change has only been in effect for the last 3 months of the fiscal year, we did not see a measurable impact on our caseload. Based on policy changes for previous years, we do not anticipate seeing an impact on our caseload. As forging a caseload reduction credit for this policy change is the most conservative option, the Department opts to claim no caseload reduction credit for the policy change for FFY 2008, and to reassess the impact in subsequent years.

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5. Estimated average monthly impact of this eligibility change on caseload in comparison year: **0**

1. Name of eligibility change: **End of Time Interruptions**

2. Implementation date of eligibility change: **July 1, 2007**

3. Description of policy, including the change from prior policy:

With the loss of Tennessee's 1115 waiver July 1, 2007, the state no longer stops client time counters when an exemption or interruption exists. Consequently, more clients are expected to reach lifetime time limits.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

Because Tennessee granted a six month extension to all clients reaching lifetime time limits during the first year after waiver end, the first post-waiver closures for 60 month limits were seen in February 2008. Closures were recorded for February through September. In order to determine how many of these would not have closed had the clock interruption policy not changed, we looked back at exemption status in the months immediately preceding the end of the waiver. 82% of the cases were identified, which was judged sufficient to estimate what percentage of case closed for time limits would have not reached the time limit. Of the cases found, 7.64% were exempt from time limits prior to waiver end.

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5. Estimated average monthly impact of this eligibility change on caseload in comparison year: **-4**

1. Name of eligibility change:

2. Implementation date of eligibility change:

3. Description of policy, including the change from prior policy:

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

Date of Completion <u>December 12, 2008</u>	
State: <u>Tennessee</u>	Fiscal Year to which credit applies: <u>2009</u>
5. Estimated average monthly impact of this eligibility change on caseload in comparison year:	

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Date of Completion _____

State: _____

Fiscal Year to which credit applies: _____

PART 2 – Estimate of Caseload Reduction Credit

(Complete Part 2 using Excel Workbook provided.)

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Date of Completion _____

State: _____

Fiscal Year to which credit applies: _____

PART 3 -- Certification

I certify that we have provided the public an appropriate opportunity to comment on the estimates and methodology used to complete this report and considered those comments in completing it. Further, I certify that this report incorporates all reductions in the caseload resulting from State eligibility changes and changes in Federal requirements since Fiscal Year 2005.

(signature)

(name)

(title)

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT
Overall Credit

	A	B	C	D	E	F
1	Tennessee			Fiscal Year to which credit applies:		2009
2				Date of Completion:	12/11/2008	
3	PART 2 – Estimate of Caseload Reduction Credit					
4						
5	<u>Impact of All Changes</u>			<u>Caseload Reduction Calculation</u>		
6	Consolidated Need Standard	1903		FY 2005 TANF Caseload	70,572	
7	State Only Aliens	-108		FY 2005 SSP Caseload	1,343	
8	Marriage During Receipt	0		Total FY 2005 Caseload	71,915	
9	Elimination of 18 month time limit	885		FY 2008 TANF Caseload	53,359	
10	Sanctions	0		FY 2008 SSP Caseload		
11	6 Month Extensions	31		Total FY 2008 Caseload	53,359	
12	Voluntary Quits	0		Excess MOE Cases in FY 2008	0	
13	Diversion	-166		Adjusted FY 2008 Caseload	53,359	
14	End of Time Interruptions	-4		Caseload Decline	18,556	25.8%
15				Decline – Net Impact	21,097	
16						
17				Caseload Reduction Credit =		25.8%
18				Total Caseload Reduction Credit =		29.3%
19						
20						
21						
22						
23						
24						
25						
26	Net Impact	2,541				
27						
28						

Tennessee

Annual Increase of the Consolidated Need Standard/Earned Income Disregard

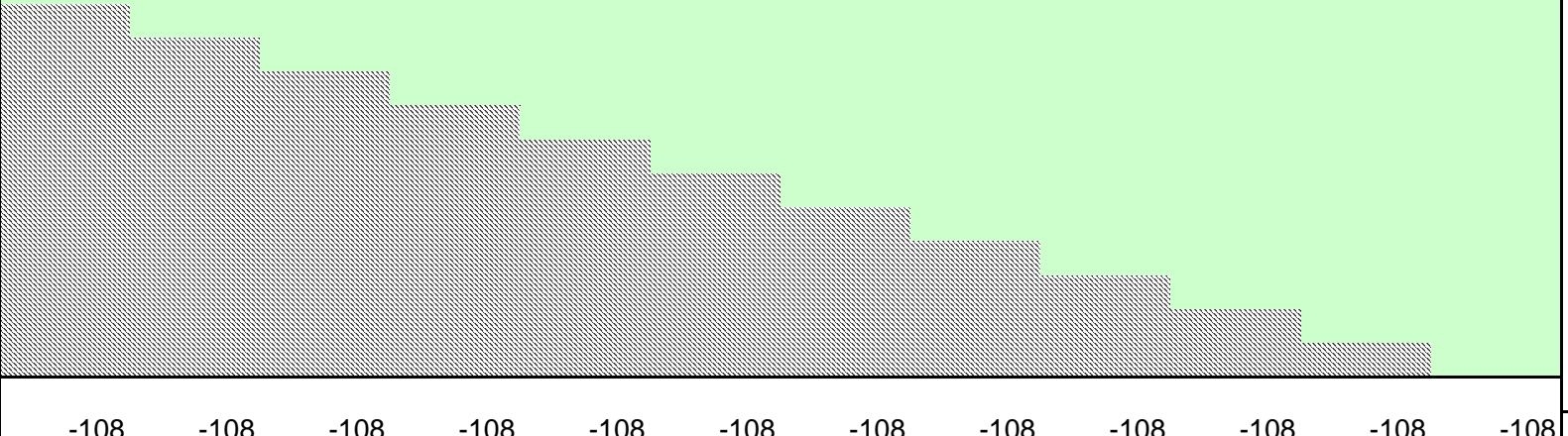
Date of Completion: 12/11/2008

	Impact on Each Month in FY 2008												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover													
Oct	1,521												
Nov		1,624											
Dec			1,726										
Jan				1,750									
Feb					1,748								
Mar						1,795							
Apr							1,799						
May								1,904					
Jun									1,904				
Jul										2,149			
Aug											2,343		
Sep												2,570	
Total	1,521	1,624	1,726	1,750	1,748	1,795	1,799	1,904	1,904	2,149	2,343	2,570	Grand Total 22,833
FY 2008 monthly average												1,903	

Tennessee

State Only Alien Eligibility

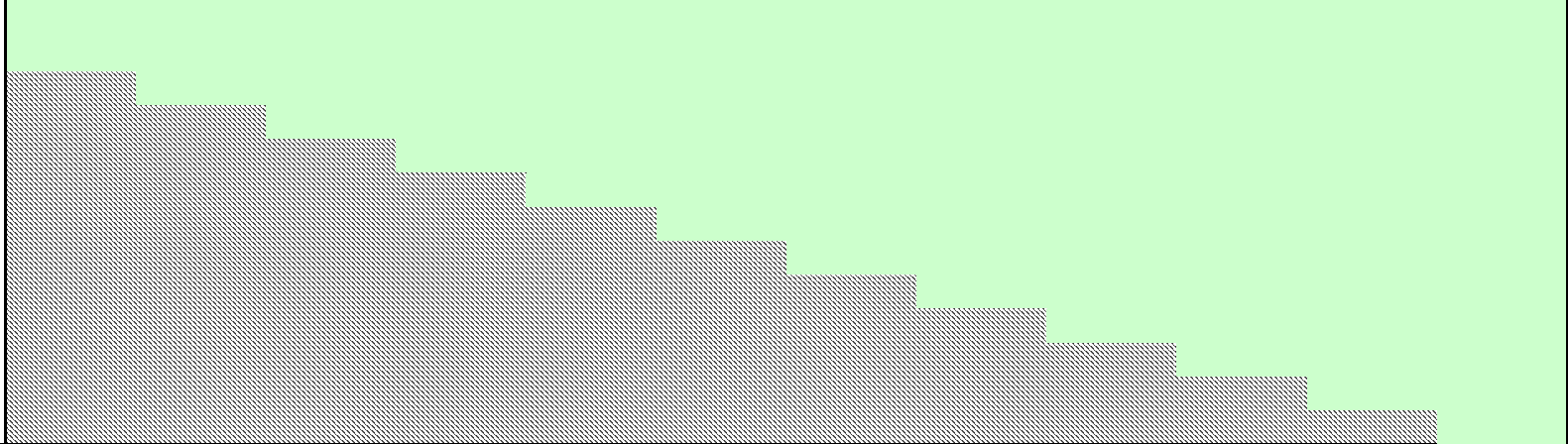
Date of Completion: 12/11/2008

	Impact on Each Month in FY 2008												Grand Total
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover	-108	-108	-108	-108	-108	-108	-108	-108	-108	-108	-108	-108	
Oct													
Nov													
Dec													
Jan													
Feb													
Mar													
Apr													
May													
Jun													
Jul													
Aug													
Sep													
Total													-108
FY 2008 monthly average												-108	

Tennessee

Marriage During Receipt

Date of Completion: 12/11/2008

	Impact on Each Month in FY 2008												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover													
Oct													
Nov													
Dec													
Jan													
Feb													
Mar													
Apr													
May													
Jun													
Jul													
Aug													
Sep													
Total	0	0	0	0	0	0	0	0	0	0	0	0	Grand Total 0
FY 2008 monthly average													0

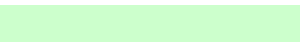
Tennessee

Elimination of 18 Month Time Limits

Date of Completion: 12/11/2008

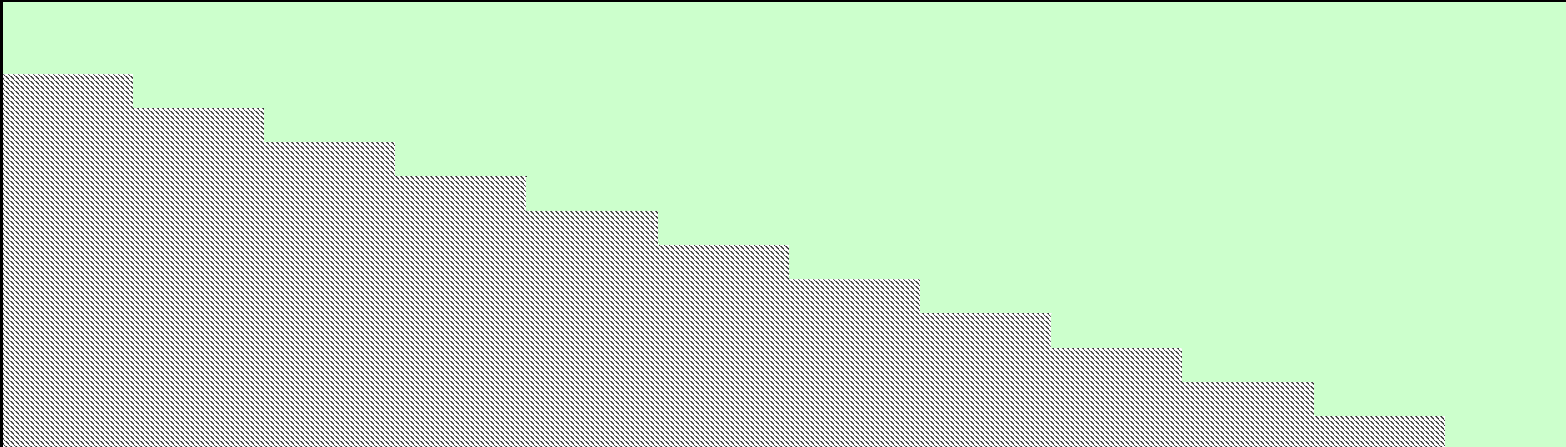
	Impact on Each Month in FY 2008												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover													
Oct	1,263												
Nov		1,004											
Dec			990										
Jan				909									
Feb					877								
Mar						825							
Apr							854						
May								841					
Jun									738				
Jul										705			
Aug											852		
Sep												766	
Total	1,263	1,004	990	909	877	825	854	841	738	705	852	766	Grand Total
FY 2008 monthly average													885

Tennessee



Sanctions

Date of Completion: 12/11/2008

	Impact on Each Month in FY 2008												Grand Total
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover													
Oct													
Nov													
Dec													
Jan													
Feb													
Mar													
Apr													
May													
Jun													
Jul													
Aug													
Sep													
Total	0	0	0	0	0	0	0	0	0	0	0	0	
FY 2008 monthly average												0	

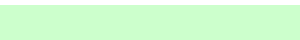
Tennessee

6 Months Extensions

Date of Completion: 12/11/2008

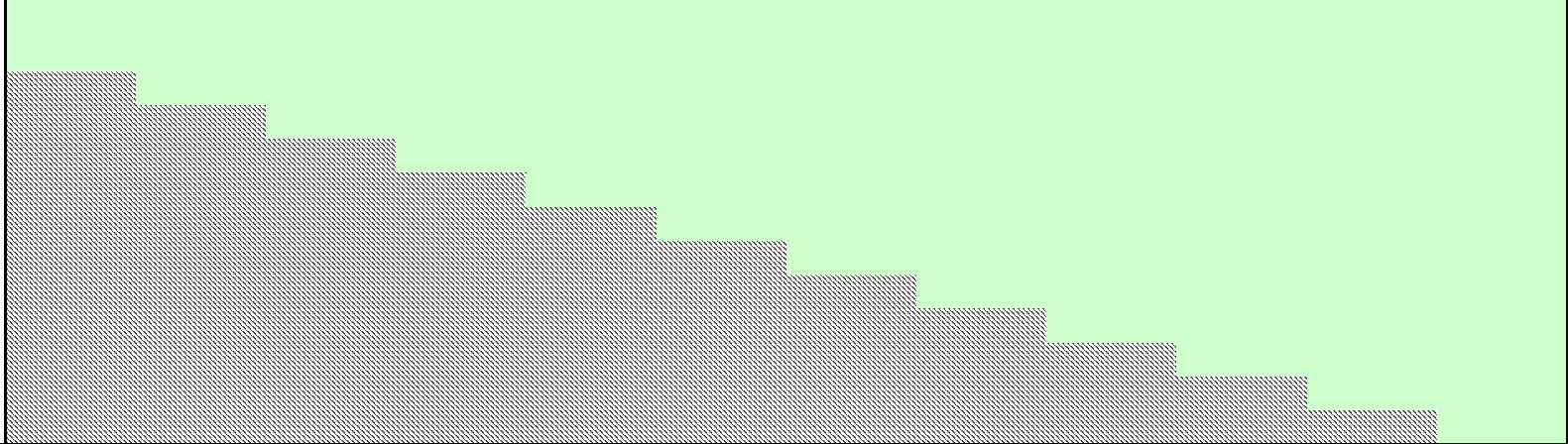
	Impact on Each Month in FY 2008												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													Grand Total
Prior years carryover													
Oct	17												
Nov		16											
Dec			16										
Jan				26									
Feb					30								
Mar						33							
Apr							40						
May								48					
Jun									50				
Jul										40			
Aug											29		
Sep												24	
Total	17	16	16	26	30	33	40	48	50	40	29	24	369
FY 2008 monthly average													31

Tennessee



Early Re-entry for Voluntary Quits

Date of Completion: 12/11/2008

	Impact on Each Month in FY 2008												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover													
Oct													
Nov													
Dec													
Jan													
Feb													
Mar													
Apr													
May													
Jun													
Jul													
Aug													
Sep													
Total	0	0	0	0	0	0	0	0	0	0	0	0	Grand Total
FY 2008 monthly average													0

Tennessee

Diversion

Date of Completion: 12/11/2008

	Impact on Each Month in FY 2008												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover	-157	-157	-157	-109	-54								
Oct	-27	-27	-27	-27	-27	-27							
Nov		-28	-28	-28	-28	-28	-28						
Dec			-16	-16	-16	-16	-16	-16					
Jan				-21	-21	-21	-21	-21	-21				
Feb					-18	-18	-18	-18	-18	-18			
Mar						-25	-25	-25	-25	-25	-25		
Apr							-28	-28	-28	-28	-28	-28	
May								-23	-23	-23	-23	-23	-23
Jun									-22	-22	-22	-22	-22
Jul										-30	-30	-30	-30
Aug											-28	-28	-28
Sep												-28	-28
Total	-184	-212	-228	-201	-164	-135	-136	-131	-137	-146	-156	-159	Grand Total -1,989
FY 2008 monthly average													-166

Tennessee

End Time Interruptions

Date of Completion: 12/11/2008

	Impact on Each Month in FY 2008												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
Time of Closure													
Prior years carryover													
Oct													
Nov													
Dec													
Jan													
Feb					-1	-1	-1	-1	-1	-1	-1	-1	
Mar						-1	-1	-1	-1	-1	-1	-1	
Apr							-1	-1	-1	-1	-1	-1	
May								-1	-1	-1	-1	-1	
Jun									-1	-1	-1	-1	
Jul										-1	-1	-1	
Aug											-3	-3	
Sep												-3	
Total	0	0	0	0	-1	-2	-3	-4	-5	-6	-9	-12	Grand Total -42
FY 2008 monthly average													-4

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT
Excess MOE Worksheet

	A	B	C	D	E	F
1	Tennessee			Fiscal Year to which credit applies:		2009
2				Date of Completion:		12/11/2008
3	Excess MOE Calculation Worksheet					
4						
5	Caseload Data			Expenditure Data		
6	FY 2005 TANF Caseload	70,572		Total Expenditures		
7	FY 2005 SSP Caseload	1,343		FY 2008 Total Federal Expenditures		
8	Total FY 2005 Caseload	71,915		FY 2008 Total MOE Expenditures		
9	FY 2008 TANF Caseload	53,359		Total Expenditures (Federal + MOE)		\$0
10	FY 2008 SSP Caseload	0				
11	Total FY 2008 Caseload	53,359		Assistance Expenditures		
12				FY 2008 Federal Expenditures on Assistance		
13	2-Parent Caseload Data			FY 2008 MOE Expenditures on Assistance		
14	FY 2005 2-p TANF Caseload	#REF!		Total Expenditures on Assistance (Federal + MOE)		\$0
15	FY 2005 2-p SSP Caseload	#REF!		Percentage of Expenditures on Assistance		0.00%
16	Total FY 2005 Caseload	#REF!				
17	FY 2008 2-p TANF Caseload	#REF!		Expenditures Per Case		
18	FY 2008 2-p SSP Caseload	#REF!		Average Expenditures per Case		\$0
19	Total FY 2008 Caseload	#REF!		Average Expenditures per Case on Assistance		\$0
20						
21				MOE and Excess MOE		
22				Required MOE (80% or 75%)		
23				Excess MOE Expenditures		\$0
24				Excess MOE Expenditures on Assistance		\$0
25	Adjusted Caseload Data					
26	Adjusted FY 2008 Overall Caseload	0		Assistance Cases Funded by Excess MOE		0
27	Adjusted FY 2008 2-parent Caseload	0		2-Parent Assistance Cases Funded by Excess MOE		0
28						
29						
30						
31						
32						